

Unapproved
SPECIAL MEETING
MARCH 23, 2009

The Wethersfield Town Council held a special meeting on Monday, March 23, 2009 at 5:30 p.m. in the Town Manager's Conference Room, 505 Silas Deane Highway, Wethersfield, CT.

Present from Council: Cascio, Console, Forrest (arrived 5:50 p.m. and left 6:48 p.m.), Hemmann, Kotkin, Roberts, Walsh, Deputy Mayor Montinieri, and Chairperson Adil.

Also present: Bonnie Therrien, Town Manager; Lisa Hancock, Finance Director; Paul Dudley, Data Services Coordinator; Dave Scales, Police Lieutenant; RaeAnn Palmer, Assistant to the Town Manager; and Amy Bello, Assistant Town Clerk

OVERVIEW OF THE 2009-2010 BUDGET

Bonnie Therrien, Town Manager, updated the budget overview. She said that the Board of Education budget presented represents a \$1,372,756 increase in spending. Her Town budget represents an \$855,020 decrease in spending. The total increase of the combined budgets is \$517,726 in spending. The mill rate will go down 3.60 mills. Usually in a revaluation year the mill rate goes down 7 or 8 mills. The increase to the average household would be 5.63 percent or \$298.65. There is \$700,000 towards reducing the tax rate taken out of the fund balance. She said that she is concerned with the rumors that State Aid to Towns may be reduced by another 10 to 15 percent. If the rumors come true, the Town will need the cushion of the fund balance. She is also hearing that the ECS funds may be decreased because funding will be available through the federal stimulus plan.

Councilor Kotkin asked what the revaluation change was for commercial properties.

Bonnie Therrien, Town Manager, said that it is a 30 percent increase. She doesn't have the averages but can get that for the Town Council.

Deputy Mayor Montinieri said that he thought the Superintendent of Schools had gotten the Board of Education budget increase down to 2.65 percent.

Bonnie Therrien, Town Manager, said that he may have discussed that at the meeting, but the budget that was formally presented to the Town and filed in the Town Clerk's office shows a 2.85 percent increase. By Charter, that is the budget figure she has to work with.

REVENUES

Lisa Hancock, Finance Director, highlighted the revenues. Taxes - She said that \$70,494,548 in property tax revenue needs to be collected in order to balance the budget. The prior year taxes are going down because the collection rate has been so good. Licenses & Permits - She said that there are minimal increases to licenses and permits. Intergovernmental Revenue - She said that

the \$50,000 differential is a reduction in the Pequot funds. It also included other State grants. Education Grants – She said that there is a 5 percent decrease in these grants.

Bonnie Therrien, Town Manager, discussed the impact of the reduction in the ECS grant money. The ECS money comes through the Town while the federal stimulus money will go directly to the Board of Education. The Town Council will have to decide how to address that shortfall in the Town budget.

Councilor Kotkin said that the Town and Board of Education are both running about \$200,000 below in healthcare costs. He asked what happens to the Board of Education money.

Bonnie Therrien, Town Manager, said that that money could be turned back over to the Town.

Deputy Mayor Montinieri said that he thought that the federal stimulus money was earmarked for projects that would stimulate the economy like capital improvement projects.

Bonnie Therrien, Town Manager, said that it is for educational projects.

Karen Clancy, Director of Business Services, said that the Federal stimulus money is supplemental for a program that will then be kept in the budget. Exact information on the money and how it is spent is still not available.

Lisa Hancock, Finance Director, said that the Other Funds accounts show a slight decrease. She said that under Charges for Services there is an 11 percent reduction in the police private duty services. The Police Department expects their requests for services to go down. There is also a decrease in cell tower revenues, Town Clerk recording fees and Nature Center revenues. She said under Fines and Forfeits there is a minimal increase. Under Investment Income there is a substantial decrease due to the current economic climate. She used 1 to 1 ¼ percent when determining interest. She said that there will be some inflow of cash when the bonds are issued. She said that she will continue to watch the interest rates.

Councilor Kotkin asked for a spreadsheet on how she determined these numbers.

Lisa Hancock said that she will provide that information to the Town Council. She said that the Town is currently getting CD's at a rate of 1 ½ percent. The Budget and Finance Committee has seen the new program, CDARS that assists with better investment returns. She said that the Town can invest money in banks in other States that have higher interest rates.

Councilor Forrest asked if the Town can invest in e-banking. He said that some have savings account rates higher than CD's.

Lisa Hancock said that she will look at State Statutes and see if the Town can invest in those kinds of accounts. She said that there is an 11.5 percent decrease in Other Income due to the loss of the CRRA onetime rebate payment.

Councilor Kotkin asked if the Town will receive money from the City of Hartford for Goodwin Park.

Bonnie Therrien, Town Manager, said that she doesn't have an amount yet because it is based on the grand list. The Park does not have to be revenue generating for the Town to collect money from the City.

Lisa Hancock said that the amount included under Other Financing Sources has a budget amount of \$700,000 representing the use of the fund balance.

TOWN COUNCIL

Bonnie Therrien, Town Manager, said that she removed all outside donations unless they were needed in order for the Town to receive grants or funding. The 375th Anniversary Committee contribution is also in this account. The amount was reduced from \$25,000 to \$10,000. The contribution for this year was frozen and the Town may now be able to release the funds.

TOWN MANAGER

Bonnie Therrien, Town Manager, said that the Civil Preparedness Director position was eliminated and the duties will be given to other paid staff. The floater position has been reduced from 19.5 hours a week to 15 hours a week. Throughout the budget process, the Town Council will see the reduction of the hours of several part-time positions.

HUMAN RESOURCES

Bonnie Therrien, Town Manager, said that she has reduced the labor attorney amount. During union negotiations the Town agreed to a pay class study for two unions, Physical Services and Secretary/Dispatch. The recruitment account pays for the advertising of positions. The Hartford Courant is very expensive and is used on a limited basis.

Chairperson Adil asked if there have been any talks with the Board of Education about sharing Human Resource services. He asked that this be taken up at the next Shared Services meeting.

TOWN ATTORNEY

Bonnie Therrien, Town Manager, said she reduced this amount. She said that one never knows what will happen during the course of the year. She said that Town staff must go through her office and cannot directly contact the Town Attorney for legal opinions. She is encouraging Town staff to research some issues in-house, too.

TREASURER

Bonnie Therrien, Town Manager, said that this budget remains constant. The Treasurers are not asking for a raise this year.

FINANCE

Lisa Hancock, Finance Director, said that there have been tremendous cuts to this budget. She said that she looked at outsourcing payroll and accounts payable, but neither would have had any cost savings to the Town. The part-time Financial Analyst position's salary has been decreased so that the position can continue at 19.5 hours. She said that this position will help her invest cash better and have less funds sitting idle. She said that the cut to the copy and binding account represents the turnover of those costs to the Pension Fund. She said that she is looking to save money by doing away with paper checks and stubs and electronically paying vendors. It will save money on paper, postage, and bank clearing fees. Under the training and travel, she will incur the expenses of the GFOA annual meeting. She said that the budget represents a bare minimum for the standards for the office. She said that the \$60,000 MUNIS cost is in the Support Services line item. The Board of Education also pays \$60,000 for MUNIS.

EMERGENCY MANAGEMENT

Bonnie Therrien, Town Manager, said that this budget was discussed earlier in the meeting.

Richard Fippinger, 28 Wells Farm Drive, Emergency Management Coordinator, said that the Town is 4 years behind in its implementation. He said that he has worked for the Town for over 40 years and hopes to continue. He said that the Town pays \$2450 a year for his salary and gets the value of \$5,000 because of the salary match the Town receives from the State. The Town purchased \$20,000 worth of equipment for the Emergency Operations Center and it has been sitting in boxes in the Police Department for 4 years. Much of the equipment is now out of warranty. He said that he will be able to bring all of the emergency management areas together in the time of a crisis. He is stunned that he has not been asked to attend the Public Safety Committee meetings. He hopes that he will continue in his position after July 1, 2009.

CENTRAL SERVICES

Bonnie Therrien, Town Manager, said that Lieutenant Dave Scales has taken over the responsibilities of the cell phones and Paul Dudley, Data Services Coordinator has taken over the land lines. This account also pays for postage and paper supplies.

Paul Dudley, Data Services Coordinator, said that this is just a continuation of the past year's budget. The only change is the staff overseeing the telephones. He said that the Town now has to rely on the telephone company to perform maintenance and service on the telephones. He hopes that in time, he will be able to take over some of that responsibility, so that maintenance costs can be reduced.

Dave Scales, Police Lieutenant, said that there are two wireless providers: AT&T and Nextel. He said this budget represents a \$6,000 reduction. The Town is no longer going to use AT&T and Nextel will be the only service provider. Nextel will also provide the Town will a discount to this year's budget. He said that there are two pager providers, too. American provides the pagers for the swat team for the eight Towns on the swat team. USA Mobility provides pagers for the Physical Services and the Park and Recreation staff. He said that the Replace Cell Instruments line item represents fund for the loss of cell phones and charging accessories. The State Collect line item represents the cost for the computer terminals in the Dispatch center. The Town has 18 licenses through CRCOG for the computer terminals in the Police cruisers. The contract is \$1,000 each. It is for maintenance and updates.

Councilor Roberts said that she thought the Town was using Nextel but had problems so it switched to AT&T. She asked if Nextel will work now.

Dave Scales said that AT&T was not good in the Dispatch center but was good around Town. Nextel offers the Town a bypass of phone lines in an emergency and also a hybrid phone for a push to talk ability. He said that it is work to change over the phones but he is not happy with AT&T and especially with the support service. Nextel is only charging \$.99 a phone and phone numbers will stay the same.

Deputy Mayor Montinieri asked if the AT&T maintenance contract was only for the land lines.

Dave Scales said yes.

Bonnie Therrien, Town Manager, said that the Town will go out to bid on the land line contract when it comes up.

Chairperson Adil asked if the Town will look into an audit of the telephone system.

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Paul Dudley, Data Services Coordinator, said that he will talk with AT&T about it.

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PROBATE COURT

Bonnie Therrien, Town Manager, said that the Probate Court assessment is based on the Grand Lists of Wethersfield, Newington, and Rocky Hill. She said that the Town does not have the exact number yet.

NON-DEPARTMENTAL

Bonnie Therrien, Town Manager, said that the Contingency Account on page 178 remains the same.

Lisa Hancock, Finance Director, handed out an investment income sheet. She said that the interest rates are mostly 1 percent, with a few at 1 ¼ percent.

Councilor Kotkin asked if the new bond issuance is for \$4,000,000.

Lisa Hancock, Finance Director, said that the bond issuance will be closer to \$8,000,000. It is a combination of the Wilkus property and other bond projects where bonding has been deferred. She has looked at refinancing current debt. She said that the Federal stimulus package will allow Towns to bank qualify their bonds which will give marketability to the bonds. She is looking at ways to have the bond issuance have the least impact on the homeowner's taxes. The first year will be an interest only payment.

Councilor Kotkin asked for a list of all of the debt that will be issued. He asked what the interest rate on the bonds would be.

Lisa Hancock, Finance Director, said that the interest rate is 5 percent. She will continue to watch the rates and see if they go down.

There was a discussion concerning the timing of interest payments.

Lisa Hancock, Finance Director, said that the Insurances on page 181 represent liability and workers compensation. These are the numbers that have been given to the Town by CIRMA. There is an increase to the deductible for property claims. The auto deductible is staying at \$5,000. The Town did not have many claims last year, but had claims with severity.

Councilor Kotkin said that last year, the Town Council decided not to increase the deductibles, but this year there is a greater savings.

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In response to Councilor Robert's question, Bonnie Therrien, Town Manager, said that the Board of Education numbers are plugged in by the Town and are from CIRMA. She said that the

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insurance coverage for the ROPE program has been removed because her budget recommends removing the program. She said that the Metropolitan District Commission number is firm. She is happy to say that the number has gone down. She said that she is in the process of meeting with the unions to discuss possible concessions. All non-union administrative employees have agreed to no pay raises this year and furlough days. She said that the heart and hypertension account has two more settlements in it. The retiree medical co-pay account is money that the Town pays the retirees who have paid co-pays at the current level instead of at the level that they would have paid when they were active employees. The cost last year was \$88,000.

Councilor Roberts asked for some clarification of the Emergency Services Director's position.

Bonnie Therrien, Town Manager, said that the Emergency Services Director's salary is offset by a State match. The match is shown on the revenue side of the budget. Other towns have the position covered by someone in the Police, Fire or Physical Services departments. She said that the current Director has done a good job but every dollar is needed in this budget.

Councilor Hemmann said that she was surprised to hear that there is equipment sitting in boxes that have not been checked, but felt the Emergency Services Director should have done this.

Bonnie Therrien, Town Manager, said that this is the first she has heard of it and will look into it.

Deputy Mayor Montinieri said that the Town has spent a lot of money to make the Town Council Chambers an Emergency Operations Center (EOC). He wants to make sure that money spent wasn't for nothing.

Bonnie Therrien, Town Manager, said that someone else will have that responsibility but the Chambers would still be used for an EOC.

ADJOURNMENT

At 7:40 p.m., Deputy Mayor Montinieri moved "**TO ADJOURN THE MEETING**" seconded by Councilor Hemmann. All Councilors present, including the Chairperson voted AYE. The motion passed 89-0-0.

Amy Bello
Assistant Town Clerk